



M E D I A R E L E A S E

STATE OF TENNESSEE
DEPARTMENT OF COMMERCE AND INSURANCE

FOR IMMEDIATE RELEASE
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FLOWERS SUSPENDS TEXAS INSURER

RECORDS SHOW THE COMPANY IS INSOLVENT

Tennessee Insurance Commissioner Paula Flowers has signed an agreed order suspending Texas-based National Health Insurance Company because of the insurance firm's insolvency.

The company, whose 2003 financial data shows it has a deficit of \$7.9 million nationwide, collected \$1.85 million in premiums from Tennesseans in 2003. Because of its hazardous financial condition, Commissioner Flowers has signed an agreed order setting forth that the company can no longer write new policies in Tennessee.

The period of National Health's suspension is two years, and the suspension can be extended at the discretion of the Commissioner. The firm's Certificate of Authority allowed it to write life and disability policies in Tennessee.

“We want to make sure that our Tennessee insurance producers are informed that this company has ceased writing new business in this state,” said Flowers. The company has not been writing new policies in Tennessee since April, 2003 because of its financial problems.

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